Congress of the United States Washington, DC 20515

June 1, 2018

The Honorable Kevin J. McIntyre Chairman U.S. Federal Regulatory Commission 888 First Street, NE Washington, DC 20426

Dear Chairman McIntyre:

We respectfully request the Commission support collaboration between grid operators and state governments—each having unique energy needs—and dismiss any proposal that would curtail the ability of states to develop their own policies and programs.

As you know, on April 9, 2018, PJM filed with FERC two competing proposals designed to address potential market distortions when out-of-market actions influence the clearing of the capacity markets. One of these two proposals would apply a Minimum Offer Price Rule (MOPR) to address the effects of state policies on wholesale capacity markets in PJM. This proposal, known as "MOPR-Ex," will limit the ability of states to advance public policies that address their unique goals and generation needs, requiring affected generators to offer capacity into the market at a higher price. Consequently, PJM capacity market prices and consumers' bills could increase. Consumers could also lose the benefits of the clean generation that the MOPR-Ex could force out of the market at a time when ratepayers in PJM are enjoying low prices and high reserve margins.

We believe that the expanded use of MOPRs will ultimately have the effect of making it more difficult for states to promote generating resources that provide positive economic and environmental attributes.

Rather than focus on mitigating the effects of state policies, FERC should encourage grid operators to work with states in a way that respects states' roles. State energy policies have been implemented to address existing market failures. States have taken the lead in developing policies that will support safe, reliable and clean energy resources. We strongly urge you to allow states to continue to pursue these policies and reject proposals that would undermine states' abilities to cultivate their own energy goals and programs.

Sincerely,

Leonard Lance Member of Congress

Paul Tonko

Member of Congress

Member of Congress Jerry McNerney Member of Congress Brian Fitzpatrick Member of Congress Lloyd Smucker Member of Congress Robert A. Brady Member of Congress Anthony G. Brown Member of Congress Member of Congress Randy Hultgren Member of Congress Matt Cartwright Member of Congress Raja Krishramoorthi

Member of Congress

Bobby L. Ru Member of Congress Daniel W. Lipinski Member of Congress Adam Kinzinger Member of Congress John Katko Member of Congress **Donald Norcross** Mepmer of Congress Cheri Bustos Member of Congress Brendan F. Boyle Member of Congress 4. Suttle Rupeviebeyer C.A. Dutch Ruppersberger Member of Congress 13eU I Member of Congress

Tom MacArthur Member of Congress Member of Congress

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